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Attorneys for minor Plaintiffs' J.L. and B.L., by and through their Guardian Ad Litem, RACHEL PEREZ

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

ANTONIO LOPEZ, individually;
JOHANNA LOPEZ, individually;
M.R., by and through his guardian ad litem, April Rodriguez, individually and as successor in interest to Brandon Lopez; B.L. and J.L., by and through their guardian ad litem Rachel Perez, individually and as successors in interest to Brandon Lopez; S.L., by and through his guardian ad litem, Rocio Flores, individually and as successor in interest to Brandon Lopez,

Plaintiffs,

vs.

CITY OF ANAHEIM, a municipal corporation; CITY OF SANTA ANA; DAVID VALENTIN; JORGE CISNEROS; PAUL DELGADO; BRETT HEITMAN; KENNETH WEBER; CAITLIN PANOV; and DOES 1-10, inclusive,

Defendants.

Case No.: 8:22-cv-01351-JVS-ADS

Honorable James V. Selna

**[PROPOSED] ORDER
APPROVING EX PARTE
PETITION FOR APPROVAL OF
MINORS COMPROMISES AND
TERMS OF STRUCTURED
SETTLEMENT / ANNUITY FOR
THE COMPROMISE OF MINOR
PLAINTIFF J.L. AND B.L.'s
CLAIMS**

[PROPOSED] ORDER

This Court, having considered Plaintiffs J.L. and B.L.'s Ex Parte Petition for Approval of Mimors' Compromises and Terms of Structured Settlement / Annuity for the Compromise of Minor Plaintiffs J.L. and B.L.'s Claims, and GOOD CAUSE appearing therefore, hereby GRANTS the Petition and makes the following orders:

1. The settlement of minor Plaintiffs J.L. and B.L.'s action against the Defendant City of Anaheim in the gross amount of \$1,450,000.00 (each minor) is approved.
2. Defendant, through counsel, shall prepare and deliver the drafts for the gross settlement proceeds in the net amount of \$1,083,640.38 for minor Plaintiff J.L., and \$1,083,640.38 for minor Plaintiff B.L. payable as follows:
3. A draft for \$732,719.24 shall be made payable to "Carrasco Law, A.P.C., Client Trust Account." These funds shall be used to (1) satisfy the attorneys' fees owed to Carrasco Law, A.P.C., in the amount of \$725,000.00; and (2) costs owed to Carrasco Law A.P.C., in the amount of \$7,719.24.
4. Defendant City of Anaheim will purchase a structured annuity for the minor Plaintiffs J.L. and B.L. in the amount of \$1,083,640.38 (each minor) from Prudential Assigned Settlement Services Corporation (hereinafter referred to as "Assignee"), which will provide periodic payments to be made by The Prudential Insurance Company of America (hereinafter referred to as "Annuity Issuer") rated A+XV A.M. Best's credit ratings as set forth in "Exhibit No. 1" and "Exhibit No. 2" to the Petition and in the table below.

5. Defendant will deliver the annuity premium checks to Plaintiff's J.L. and B.L. structured settlement company, Prudential Insurance Company to fund the annuity.
6. Annuity Issuer shall provide periodic payments in accordance with "Exhibit No. 1" and "Exhibit No. 2" to the Petition and as set forth in the table below.
7. All sums and periodic payments set forth in the section entitled "Payments" constitute damages on account of personal injuries or illness, arising from an occurrence, within the meaning of Section 104(a)(2) of the Internal Revenue Code of 1986, as amended.
8. Prior to J.L. and B.L. reaching the age of majority, disbursement drafts will be made payable and issued to J.L. and B.L.'s parent and natural guardian, Rachel Perez, according to the payment schedule. Disbursement drafts will be made payable and will begin being issued directly to J.L. and B.L. upon reaching the age of maturity according to the payment schedule.

Periodic payments payable to RACHEL PEREZ, guardian ad litem for the benefit of J.L. and B.L.

\$2,000.00 for J.L.	Payable Monthly, for 4 years, 5 months, and, commencing on 07/15/2024; last guaranteed payment on 11/15/2028.
\$2,000.00 for B.L.	Payable Monthly, for 2 years, 8 months and, commencing on 07/15/24; last guaranteed payment on 02/15/27.

Periodic Payments payable to B.L. and J.L.

\$4,953.42 for J.L.	Commencing at age 18 (12/01/28) Payable monthly, Guaranteed for 25 years & Life.
\$4,626.18 for B.L.	Commencing at age 18 (03/04/27) Payable monthly, Guaranteed for 25 years & Life.

1 9. Defendant will make a “qualified assignment” within the meaning of
2 Section 130(c), of the Internal Revenue code of 1986, as amended, to Assignee, of
3 the Defendant’s liability to make the periodic payments as described in the above
4 table and in “Exhibit A” to the Declaration of Kent M. Henderson, filed
5 concurrently herewith. Such assignment, if made, shall be accepted by the Plaintiff
6 without right of rejection and shall completely release and discharge Defendant
7 from such obligations hereunder as are assigned to Assignee. This includes that
8 Defendant shall execute a Qualified Assignment document.

9 10. Defendant and/or Assignee shall have the right to fund its liability to
10 make periodic payments by purchasing a “qualified funding asset,” within the
11 meaning of Section 130(d) of the Code, in the form of an annuity policy from the
12 Annuity Carrier.

13 11. Assignee shall be the owner of the annuity policy or policies, and shall
14 have all rights of ownership.

15 12. The Assignee will have the Annuity Issuer mail payments directly to
16 the Plaintiff, as set forth above. Rachel Perez (until J.L. reaches the age of the
17 majority) and then J.L. shall be responsible for maintaining the currency of the
18 proper mailing address and mortality information to Assignee.

19 13. The Assignee will have the Annuity Issuer mail payments directly to
20 the Plaintiff, as set forth above. Rachel Perez (until B.L. reaches the age of the
21 majority) and then B.L. shall be responsible for maintaining the currency of the
22 proper mailing address and mortality information to Assignee.

23 **IT IS SO ORDERED.**

24
25
26 Dated: May ____, 2024

The Honorable James V. Selna
United States District Court Judge

EXHIBIT NO. 1

Minor's Compromise Addendum

For

J [REDACTED] I [REDACTED]

\$1,083,640.38 is to be used, with the court's permission, to purchase an annuity, in which Prudential Assigned Settlement Services Corporation will provide for the following Periodic Payments to be made by The Prudential Insurance Company of America, rated A+XV by A.M. Best.

Assignor/Defendant agrees to make the periodic payments set forth in section (a), herein below. All sums constitute damages on account of personal injuries arising from an occurrence within the meaning of Section 104(a)(2).

a) The periodic payment schedule for J [REDACTED] L [REDACTED] is as follows:

Periodic Payments payable to Rachel Perez guardian ad litem FBO J [REDACTED]
L [REDACTED]

Monthly Certain Income

Commencing on 07/15/2024

\$2,000.00 payable monthly for 4 years and 5 months

Last guaranteed payment on 11/15/2028

Periodic Payments payable to J [REDACTED] L [REDACTED]

Monthly Lifetime Income

Commencing at age 18 (12/01/2028)

\$4,953.42 payable monthly for life

Guaranteed for 25 years & life

Total Guaranteed Payout: \$1,592,026.00

Claimant acknowledges and agrees that the Defendant and/or the Insurer may make "qualified assignment" within the meaning of Section 130(c) of the Internal Revenue Code of 1986, as amended, of the Defendant's and/or the Insurer's liability to make the periodic payments required herein. Any such assignment, if made, shall be accepted by the Claimant without right of rejection and shall completely release and discharge the Defendant and the Insurer from such obligations hereunder as are assigned to Prudential Assigned Settlement Services Corporation (hereinafter "Assignee"). The Claimant recognizes that, in the event of such an assignment, the Assignee shall be their sole obligor with respect to the obligations assigned, and that all other releases that pertain to the liability of the Defendant and the Insurer shall thereupon become final, irrevocable and absolute.

EXHIBIT NO. 2

Minor's Compromise Addendum

For

B [REDACTED] L [REDACTED]

\$1,083,640.38 is to be used, with the court's permission, to purchase an annuity, in which Prudential Assigned Settlement Services Corporation will provide for the following Periodic Payments to be made by The Prudential Insurance Company of America, rated A+XV by A.M. Best.

Assignor/Defendant agrees to make the periodic payments set forth in section (a), herein below. All sums constitute damages on account of personal injuries arising from an occurrence within the meaning of Section 104(a)(2).

a) The periodic payment schedule for B [REDACTED] L [REDACTED] is as follows:

Periodic Payments payable to Rachel Perez guardian ad litem FBO B [REDACTED] L [REDACTED]

Monthly Certain Income

Commencing on 07/15/2024

\$2,000.00 payable monthly for 2 years and 8 months

Last guaranteed payment on 02/15/2027

Periodic Payments payable to B [REDACTED] I [REDACTED]

Monthly Lifetime Income

Commencing at age 18 (03/04/2027)

\$4,626.18 payable monthly for life

Guaranteed for 25 years & life

Total Guaranteed Payout: \$1,451,854.00

Claimant acknowledges and agrees that the Defendant and/or the Insurer may make "qualified assignment" within the meaning of Section 130(c) of the Internal Revenue Code of 1986, as amended, of the Defendant's and/or the Insurer's liability to make the periodic payments required herein. Any such assignment, if made, shall be accepted by the Claimant without right of rejection and shall completely release and discharge the Defendant and the Insurer from such obligations hereunder as are assigned to Prudential Assigned Settlement Services Corporation (hereinafter "Assignee"). The Claimant recognizes that, in the event of such an assignment, the Assignee shall be their sole obligor with respect to the obligations assigned, and that all other releases that pertain to the liability of the Defendant and the Insurer shall thereupon become final, irrevocable and absolute.